

FILED

DEC 22 2016

U.S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

MELVIN HARMON AND
LECRESHA PRATHER,

Defendants.

4:16CR552 HEA/NCC

INDICTMENT

COUNT 1

(Conspiracy to Defraud)

The Grand Jury charges that:

A. Introduction

At all times relevant to this indictment:

1. The State of Missouri Department of Revenue and the State of Illinois Secretary of State were tasked with ensuring that motor vehicles belonging to residents of their respective states were properly titled, and that, if there were financial obligations secured by the vehicles, the liens were properly recorded. Proper vehicle registration required the owners to submit documents which may include: an application for a certificate of title; bill of sale; proof of insurance; and, proof of residency.
2. Upon application for registration, the owner had to submit requisite fees and pay taxes on the vehicle. In the State of Missouri, owners of vehicles had to pay annual property taxes based upon the value of their vehicle. However, in the State of Illinois, the

tax was only paid when the vehicle was transferred from one owner to another. The tax in the State of Illinois was calculated by multiplying the tax rate of 6.5% by the net purchase price less any offsets for depreciation.

3. If the vehicle was purchased with a loan, the lender secured its interest by completing the lienholder section of the application for a title. In the State of Illinois, the Secretary of State mailed the approved certificate of title to the owner or, if there was a lien on the vehicle, the title was sent to the lienholder. The owner did not receive a certificate of title from the State of Illinois until the lienholder released its secured interest.

B. Conspiracy

4. Beginning on or about January 1, 2015 and continuing through on or about May 31, 2015, in the Eastern District of Missouri and elsewhere, the defendant,

MELVIN HARMON,

and persons known and unknown to the Grand Jury did unlawfully, willfully, and knowingly combine, conspire, and agree with persons known and unknown to the grand jury to commit the following offenses against the United States:

- a. using the mails and interstate carriers to execute a scheme and artifice to defraud, in violation of in violation of Title 18, United States Code, Section 1341;
- b. using an assumed name and address to commit a mail fraud scheme, in violation of Title 18, United States Code, Section 1342; and,

c. possessing, using, and transferring the means of identification of another individual in order commit at least one enumerated felony, in violation of Title 18, United States Code, Section 1028A.

C. Object of the Conspiracy

5. The object of the conspiracy was for the defendant **MELVIN HARMON**, and persons known and unknown to the Grand Jury to achieve a common goal, that is: to profit from the use of falsely made, altered, and counterfeit motor vehicle certificates of title by evading taxes of the State of Missouri, obtaining titles without allowing legitimate lienholders to secure their financial interests, and selling encumbered vehicles to unsuspecting purchasers.

D. Overt Acts

6. In furtherance of and to effect the objects of the conspiracy, one or more of the co-conspirators committed and caused to be committed one or more of the following overt acts in the Eastern District of Missouri and elsewhere;

a. Beginning on or about February 1, 2015 and continuing through on or about April 30, 2015, **MELVIN HARMON**, an employee at a State of Illinois motor vehicle registration facility, **J.A.P.**, and others, known and unknown to the Grand Jury, solicited Missouri residents who desired to obtain motor vehicle plates without paying the associated costs in their state of residence. **MELVIN HARMON** and his co-conspirators solicited individuals directly or through flyers which advertised **MELVIN HARMON** as “The Plate Man;”

- c. In order to facilitate the registration of vehicles owned by Missouri residents in the State of Illinois, between on or about February 24, 2015 and on or about April 8, 2015, **MELVIN HARMON** met Missouri residents S.J., C.B., C.L.B., and M.C. at various locations in the St. Louis Metropolitan area in order to obtain paperwork relating to their motor vehicle purchases and fees ranging from \$350.00 to \$700.00;
- d. Between on or about February 24, 2015 and on or about April 8, 2015, **MELVIN HARMON** fraudulently registered vehicles belonging to Missouri residents **LECRESHA PRATHER**, S.J., C.B., C.L.B., and M.C., and others in Illinois by presenting forged Vehicle Use Tax Transaction Returns that falsely listed Illinois addresses as their places of residence and reduced the net purchase price of the vehicles as well as other falsified documents to the State of Illinois Secretary of State;
- e. Based upon the fraudulent registration documents, **MELVIN HARMON** obtained State of Illinois license plates for Missouri residents **LECRESHA PRATHER**, S.J., C.B., C.L.B., M.C., and others between on or about February 24, 2015 and on or about April 8, 2015, in the Southern District of Illinois;
- f. Between on or about February 24, 2015 and on or about April 8, 2015, in the Southern District of Illinois, **MELVIN HARMON** transported the fraudulently obtained license plates and registration documents from the State of Illinois to the State of Missouri to Missouri residents S.J., C.B., C.L.B., and others.
- g. On or about April 7, 2015, M.C. traveled from the State of Missouri to the State of Illinois in order to accept delivery of his fraudulently obtained State of Illinois

license plates and registration documents from **MELVIN HARMON** in the parking lot of a State of Illinois motor vehicle license office;

h. Between on or about February 24, 2015 and on or about March 1, 2016, in the Eastern District of Missouri, Missouri residents **LECRESHA PRATHER**, S.J., C.B., C.L.B., and others used the fraudulently obtained State of Illinois license plates as evidence of lawful registration of their vehicles; and,

i. Between on or about February 24, 2015 and on or about April 8, 2015, **MELVIN HARMON** caused the mailing of fraudulent motor vehicle titles from the Secretary of State for Illinois to lienholders located in various states.

In violation of Title 18, United States Code, Section 371.

COUNT 2

(Mail Fraud)

The Grand Jury realleges the facts set forth in paragraph A of Count 1 and further charges that:

B. The Scheme to Defraud

1. Beginning on or about January 1, 2015 and continuing through on or about May 31, 2015, in the Eastern District of Missouri and elsewhere, the defendant

MELVIN HARMON,

devised, and intended to devise, a scheme and artifice to defraud the State of Missouri and the State of Illinois, by means of materially false and fraudulent pretenses, representations and promises that the individuals for whom he was registering vehicles in Illinois were residents of

that state and that the individuals had paid less for the vehicles than that represented by the defendant.

2. It was part of the scheme and artifice to defraud that:
 - a. **MELVIN HARMON** and others known and unknown to the Grand Jury offered to assist Missouri residents in the fraudulent registration of their vehicles in Illinois in exchange for the payment of fees ranging as high as \$700.00.
 - b. **MELVIN HARMON** falsely represented on Illinois Department of Revenue License Vehicle Use Tax Transaction Returns and Illinois Secretary of State – Application for Vehicle Transaction(s) that the owners of the vehicles he was registering were Illinois residents and that they paid less for their vehicles than the actual net purchase prices.
 - c. **MELVIN HARMON** provided the fraudulently obtained State of Illinois license plates and registration documents to Missouri residents.
 - d. Pursuant to the information provided by **MELVIN HARMON**, the State of Illinois Secretary of State issued motor vehicle titles based upon the falsely made documents, and mailed the motor vehicle titles to the addresses provided.

C. **The Mailing**

3. On or about April 13, 2015, in the Eastern District of Missouri, the defendant
MELVIN HARMON,
for the purpose of executing the above-described scheme to defraud, did knowingly cause to be deposited an envelope containing a fraudulently obtained State of Illinois Certificate of Title which was sent and delivered by the United States Postal Service and a private and commercial

interstate carrier from Secretary of State, 213 State Capitol, Springfield, Illinois to Joe-K Used Cars, 6741 Manchester Avenue, St. Louis, Missouri.

In violation of Title 18, United States Code, Section 1341.

COUNT 3

(Mail Fraud)

The Grand Jury realleges the facts set forth in paragraph A of Count 1 and paragraph B of Count 2 and further charges that:

C. **The Mailing**

3. On or about April 13, 2015, in the Eastern District of Missouri, the defendant

MELVIN HARMON,

for the purpose of executing the above-described scheme to defraud, did knowingly cause to be deposited an envelope containing a fraudulently obtained State of Illinois Certificate of Title which was sent and delivered by the United States Postal Service and a private and commercial interstate carrier from Secretary of State, 213 State Capitol, Springfield, Illinois to A and N Auto Inc., 7023 Page Avenue, St. Louis, Missouri.

In violation of Title 18, United States Code, Section 1341.

A TRUE BILL.

FOREPERSON

RICHARD G. CALLAHAN
United States Attorney

TRACY LYNN BERRY - 014753 TN
Assistant United States Attorney